



INTERNATIONAL EGG AND POULTRY REVIEW

ISSN 1522-5100



U. S. Department of Agriculture

Agricultural Marketing Service

Poultry Programs

Market News Branch

Indonesia

Economic growth and more stable security in rural areas has led to improvements in poultry production. The Indonesian Rupiah (IDR) strengthened nearly 12 percent against the dollar during the first six months of 2003 compared to the same period in 2002.

Feed accounts for about 60-65 percent of the cost of chicken production and the feed industry is dependent on imported corn, soybeans, etc. Due to the dependency on imported raw materials, the domestic chicken industry cannot compete with other countries. To reduce the dependency on the imported corn, the Government of Indonesia (GOI) is starting to encourage domestic corn industry to increase production.

Most of the poultry production is still carried out through contract or partnership with the large integrators. Poultry farmers depend on the them for day old chick supply, poultry feed, and other necessary inputs. With relatively low per capita broiler consumption, an increasing population and economic growth, prospects for further output growth remains bright. However processing and cold storage deficiencies continue to create bottlenecks in distribution and marketing.

Chicken meat has been contributing more towards Indonesia's national meat consumption. Post estimates the broiler meat consumption in 2003 to reach 733 million MT, or 3.4 kg/capita/year. With the expectation for continued improvement in the overall economy, consumption in 2004 is forecast to continue grow to 791 million tons or 3.7 kg/capita/year (215 million population in 2003). There is a trend and preference for Indonesian consumers to consume medium birds (1.4 kg or slightly over 3 pounds).

The ban on imported chicken parts implemented in September 2000 continues. As a result, poultry meat imports from the U.S. have dropped sharply. In 2000, U.S. export of chicken leg quarters totaled 11,440 MT, compared to 432 MT in 2001 and 24 MT in 2002. In contrast, Indonesian chicken meat exports to Japan are increasing in the form of boneless chicken and further processed products. In 2002, the total export value of frozen poultry parts to Japan was US \$4,827,735, an increase of 73 percent over 2001.

U.S. Exports to Indonesia, eggs in '000 dozens, poultry in tons

	1998	1999	2000	2001	2002
Shell eggs	35,057	296,818	481,163	47,250	52,035
Poultry meat	1,531	9,678	13,615	1,894	1,093

Despite repeated efforts by the U.S. Embassy in Jakarta to seek a resolution, the ban on poultry part imports (implemented in September 2000) remains in effect. While concern over "Halal" certification was used as justification for the barrier, the GOI action should be viewed as a direct response to request for protection from domestic producers.

Source: USDA/Foreign Agricultural Service

Japanese Imports, Frozen Broilers (in tons)

	United States	China	Brazil	Thailand	Total
2002					
January	3,179	11,207	21,107	22,347	57,840
February	5,264	5,890	15,369	18,500	45,023
March	2,181	5,930	15,647	16,595	40,353
April	3,457	8,192	17,865	16,430	45,944
May	2,654	10,131	17,700	14,509	44,996
Total	16,735	41,350	87,688	88,383	234,156
2003					
January	4,555	9,529	18,014	14,602	46,700
February	2,959	7,566	9,444	12,969	32,938
March	3,036	9,633	9,754	13,539	35,962
April	3,341	12,355	7,556	13,397	36,649
May	3,124	6,770	13,443	12,338	35,675
Total	17,015	45,853	58,211	66,845	187,924

Source: ALIC Monthly statistics

Heat Wave in Europe

The drought and heat wave in Europe is resulting in huge losses to agriculture. High temperatures around Europe broke records as temperatures in large parts of Europe climbed above 104 F. Sustained highs reaching 113 F have been reported in southern Spain.

Farmers in some areas called in the fire brigade to hose down animal sheds and sometimes even the animals. In France, over a million chickens were reported killed by the heat in one week. Losses were reported in Britain, the Netherlands and Spain. The heat is also slowing the growth of chickens. In Spain, chicken prices climbed more than 35 percent in early August due to tight supplies of poultry. In the UK prices were reported 20 percent higher by mid-August.

Farmers are calling for funds from the EU's common agricultural policy (CAP). The CAP's \$50 billion budget totals half of the EU's finances. In France, the trade association CFA asked the government for financial aid within the framework of emergency farming provisions.

Shrinking EU crops and rising domestic prices had already prompted the Commission to suspend future export tenders indefinitely in order to conserve domestic supplies. The tightening EU grain supply situation could encourage more domestic feeding of rye, though rye's use in hog and poultry rations is limited and internal transportation costs are high. The EU agreed to sell hundreds of thousands of tons of surplus rye, barley and sorghum government stocks for use in animal feed. In addition, the EU has also agreed to advance payments to farmers, who face cuts in yields of main crops by as much as 25 percent, as part of a plan to help European farmers.

Sources: newspapers and news wires

Inspected Egg Products-U.S. & Canada Export/Import Trade**U.S. Exports to Canada, in Pounds (000) (Preliminary)**

Week Ending August 09, 2003

Year-To-Date

	2003	2002/1	2003	2002
Liquid	407	558	10,110	11,676
Frozen	0	0	96	21
Dried	7	20	342	389
Total	414	578	10,548	12,086

U.S. Imports From Canada, in Pounds (000) (Preliminary)

Week Ending August 09, 2003

Year-To-Date

	2003	2002/1	2003	2002
Liquid	131	168	3,687	4,167
Frozen	8	38	1,855	2,253
Dried	0	6	862	3,300
Total	139	212	6,404	9,720

Inspected Shell Eggs**U.S Exports To Canada, In 30-Dozen Cases (Preliminary)**

Week Ending August 09, 2003

Year-To-Date

	2003	2002 /1	2003	2002
Jumbo	0	30	273	1,191
Extra Large	150	1,200	15,047	19,480
Large	2,542	4,734	64,025	85,056
Medium	1,764	360	39,833	32,011
Ungraded	7,520	2,940	62,686	186,215
Misc	0	420	3,852	12,702
Total	11,976	9,684	185,716	336,655

Comparable Week, to-date figures may not total due to rounding.

Source: USDA/AMS Poultry Programs, Market News Branch in cooperation with Agriculture Canada, Poultry Development Division.

NOTICE

U.S./Canadian Live Poultry Slaughtered Under Inspection

Week ending 09-Aug-03

UNAVAILABLE AT TIME OF PUBLICATION

CENTRAL REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE CENTRAL REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

EASTERN REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE EASTERN REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

15-AUG-2003				
CHICKEN				
PRICES VOLUME				
(Cents per Pound)				
FAT	FROZEN	FRESH	TOTAL	EXPORT
CONTENT				
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				
CHICKEN, WITH SKIN ADDED				
PRICES VOLUME				
(Cents per Pound)				
FAT	FROZEN	FRESH	TOTAL	EXPORT
CONTENT				
15% OR LESS				
RANGE	14.50-19.00	16.00-17.00	161,600	-
WTD AVERAGE	16.75	16.50		
15-20%				
RANGE	14.00-17.50	11.50-16.00	2,529,600	1,165,600
WTD AVERAGE	16.16	13.55		
20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				

* INCLUDES THE STATES of AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

15-AUG-2003				
CHICKEN				
PRICES VOLUME				
(Cents per Pound)				
FAT	FROZEN	FRESH	TOTAL	EXPORT
CONTENT				
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				
CHICKEN, WITH SKIN ADDED				
PRICES VOLUME				
(Cents per Pound)				
FAT	FROZEN	FRESH	TOTAL	EXPORT
CONTENT				
15% OR LESS				
RANGE	15.25-19.50	-	784,000	784,000
WTD AVERAGE	18.15			
15-20%				
RANGE	16.50-17.00	11.50-18.00	1,832,000	312,000
WTD AVERAGE	16.92	13.43		
20% OR MORE				
RANGE	-	11.00	41,000	-
WTD AVERAGE		11.00		

* INCLUDES THE STATES of CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

210 WALNUT STREET, ROOM 951, DES MOINES, IOWA, 50309 515/284-4471 FAX 515/284-4468

Visit us on the World Wide Web at <http://www.ams.usda.gov/marketnews.htm>

NATIONAL YOUNG TURKEY PARTS AND BULK MEAT, FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 15 AUGUST 2003.

The trade sentiment on tom bulk parts was steady to firm on 2-joint wings and steady to fully steady on the balance of items. Inquiry on tom drums and wings was fair to good, light to fair on necks. Offerings of tom drums and wings were light, mixed on necks with some buyers noting product from big toms harder to find. The trade sentiment on hen 2-joint wings was firm, balance of hen parts at least steady. Demand light to fair. Offerings were tight on hen 2-joint wings, balance light to adequate. The undertone on 4-8 lb. breasts was mostly steady for current shipments with some increased confidence noted for deferred. Demand was in a full range. Supplies were held with varied degrees of confidence. Domestic trading centered on heavy volumes of open priced Grade A 4-8 lb. breasts with 88 cent delivered ceilings and on firm priced plant grades for August-September shipments, balance light. For domestic: fresh wing meat 36, fresh ground breast trim 57, plant grade non-basted 12-16 lb. breasts 80 cents delivered. Export trading light. Scapula traded at 50 cents delivered export.

FRIDAY, AUGUST 15, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	27.00		27.00	80	28.00	440
WINGS FULL-CUT - TOMS	20.00		20.00	52	20.00	52
WINGS, V-TYPE, TOM						
TAILS		R	18.46	148	18.46	148
MECHANICALLY SEPARATED 2/		F	17.00	800		
THIGH MEAT - FROZEN	54.00		54.00	40	54.65	840

THURSDAY, AUGUST 14, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	28.00		28.00	80
WINGS FULL-CUT - TOMS		R	22.00	18
WINGS, V-TYPE, TOM		R	26.50	520
TAILS	17.00-19.00		18.46	148
MECHANICALLY SEPARATED 2/		F	17.00	800
THIGH MEAT - FROZEN	59.00		59.00	40

WEDNESDAY, AUGUST 13, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	27.00-29.00		28.33	240
WINGS FULL-CUT - TOMS		R	22.00	18
WINGS, V-TYPE, TOM		R	26.50	520
TAILS		W	21.00	40
MECHANICALLY SEPARATED 2/		F	17.00	800
THIGH MEAT - FROZEN	53.00		53.00	252

TUESDAY, AUGUST 12, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		M	28.00	40
WINGS FULL-CUT - TOMS		R	22.00	18
WINGS, V-TYPE, TOM		R	26.50	520
TAILS		W	21.00	40
MECHANICALLY SEPARATED 2/		F	17.00	800
THIGH MEAT - FROZEN	68.00		68.00	52

MONDAY, AUGUST 11, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	28.00		28.00	40
WINGS FULL-CUT - TOMS		R	22.00	18
WINGS, V-TYPE, TOM		R	26.50	520
TAILS		W	21.00	40
MECHANICALLY SEPARATED 2/		F	17.00	800
THIGH MEAT - FROZEN	49.50-56.00		53.72	456

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY

2/ Product contains 15-20% fat with skin added.

210 WALNUT STREET, ROOM 951, DES MOINES, IOWA, 50309 515/284-4471 FAX 515/284-4468

Visit us on the World Wide Web at <http://www.ams.usda.gov/marketnews.htm>